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MANAGEMENT ACCOUNTING ORGANIZATION: BASIC STEPS TOWARDS INCREASING THE COMPANY EFFICIENCY

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Давидюк Т.В. Організація управлінського обліку: основні кроки в напрямку підвищення ефективності діяльності компанії.

Найважливішим фактором нормального функціонування підприємства є управлінська діяльність, при якій управлінці оперують достовірною та оперативною інформацією. За допомогою інформаційного забезпечення відбувається взаємозв'язок між підрозділами, розмежування прав та відповідальності кожного підрозділу перед адміністрацією підприємства, узгодженість окремих видів діяльності в досягненні цілей підприємства. Важливою частиною цього процесу є налагоджена організація управлінського обліку. В статті проаналізовано сутність дефініції «організація управлінського обліку», виділено питання щодо організації управлінського обліку та підходи до їх вирішення, що сприятиме підвищенню ефективності діяльності вітчизняних підприємств, виділено складові організації управлінського обліку та визначено етапи побудови управлінського обліку на підприємстві.

Ключові слова: управлінський облік, організація обліку, стандарти управлінського обліку, облікова політика для цілей управлінського обліку, принципи обліку

Давидюк Т.В. Организация управленческого учета: основные шаги в направлении повышения эффективности деятельности компании.

Важнейшим фактором нормального функционирования предприятия является управленческая деятельность, при которой управленцы оперируют достоверной и оперативной информацией. С помощью информационного обеспечения происходит взаимосвязь между подразделениями, разграничение прав и ответственности каждого подразделения перед администрацией предприятия, согласованность отдельных видов деятельности в достижении целей предприятия. Важной частью этого процесса является отлаженная организация управленческого учета. В статье проанализирована сущность дефиниции «организация управленческого учета», выделены вопросы по организации управленческого учета и подходы к их решению, что будет способствовать повышению эффективности деятельности отечественных предприятий, выделены составляющие организации управленческого учета и определены этапы построения управленческого учета на предприятии.

Ключевые слова: управленческий учет, организация учета, стандарты управленческого учета, учетная политика для целей управленческого учета, принципы учета

Davidyuk T.V. Management accounting organization: basic steps towards increasing the company efficiency.

The most important factor of the normal operation of the business is management activities in which managers operate reliable and timely information. There is a relationship between entities, permissions and responsibilities of each department to enterprise management, coordination of individual activities to achieve the objectives of the company with help of information provision. An important part of this process is an established organization of management accounting. In article analyzed the essence of the definition "organization of management accounting", highlighted the issue of management accounting organization and approaches to their solution, which will enhance the efficiency of domestic enterprises, selected organization's members of management accounting and the stages of construction of management accounting at the company.

Keywords: management accounting, organization of accounting, management accounting standards, accounting policies for internal management purposes, accounting principles

Domestic companies' competitiveness on external and internal markets makes them paying attention not only on providing a high-qualified production and a customer's needs satisfaction, but also on the amount of incurred production costs and approaches to determine the cost of production.

If your company does not use the management accounting, it does not mean that it will not be necessary tomorrow. Most managers of domestic enterprises recognize the need to get information quickly enough for determining alternative lines of action and for making decision based on timely management decisions. The foundations of effective management accounting are usefulness, timeliness and clarity of information for companies' owners and managers.

Nevertheless, it is not enough to recognize the need for implementation of management accounting in the company, there is also necessary to understand the algorithm of actions in its implementation. The main difficulty is an absence of common rules of management accounting, unlike financial accounting; owners and the company's administration decide how to organize it.

One of the principles used while organizing management accounting is methodological principle of independence, which determines that each company sets its own rules of organization and procedure of management accounting. The majority of owners understand what is the difference between the financial and the management accounting, which advantages the company would receive from the introduction of management accounting.

However, the administration faces with lot of questions: where to start setting of management accounting in the company, whom to assign as the responsible one for its organization and conduct, what effect is expected from its implementation, what differs the financial accounting from the management accounting?

Analysis of recent researches and publications

There is a significant amount of publications during last year's dedicated to management accounting, classification of costs and picking methods of calculating product cost, allocation of overhands. A. Apchercha, E. Atkinson, R. Bunker, R. Vander Vila, Vahrushynoyi M., S. Head, S. Datara,

C. Drury, V. Ivashkevicha T. Karpova, R. Kaplan, V. Paly, T. Scone, John. Foster, Charles Hornhrena S. Young are the classics of management accounting books. The review of these authors' books indicates that only M.A. Vahrusha provides separately a topic "Organization of management accounting". So the question of the effective organization of management accounting in domestic enterprises requires solving.

Unsolved aspects of the problem

Management accounting organization is an internal affair of each company, because there are not two identical companies. Companies differ by the ownership, economical, law, technically-economical, technically-technological and other combinations of internal and external aspects. However, in order to be considered an effective system of management accounting essential that it contributed to achievement of the goal of the enterprise with minimal expenditure on the organization and functioning of management accounting.

The aim of the article is to analyze the essence of the term "organization management accounting" and problems faced by individual businesses, to identify components of management accounting and to determine the stages of construction management accounting at the company.

The main part

Management accounting organization is an internal affair of the company, since the administration decides the issue of necessity and scope of application of management accounting. Among the tasks of management accounting, company's administration may determine reasoning:

- Directions of classification of costs;
- Methods of calculating of product cost;
- Directions of forming internal accounting and management reporting;
- Interactions between financial and management accounting etc.;

There is a number of questions raising to a company's owners while organization of management accounting, such as:

1. Is there a need of financial accounting in the management accounting?

The answer is "yes". Sure, management accounting is necessary for:

- planning and forecasting of the company's activities;
- cost and profitability analysis;
- assessment of the current performance of the company as a whole and in the types of goods (works, services) responsibility centres;
- responsibility centres' activity and a company's effective control.

It seems, that there is no place for financial accounting among planning and forecasting, however this process is unreal without an adequate assessment of past and present. So it must be close cooperation between accounts department and structures that deal with management accounting. It is impossible to plan, analyze and control without information about the

actual situation of the enterprise. It is information provided by accounting company. Financial and management accounting, in fact, operated by the same data, however, depending on the needs of the business owner, use them in different ways. This also manifests the principle of acceptability and reuse, based on data in a single fixation financial accounting and their repeated use in all kinds of administrative activity without re-fixing. This principle allows the company to create a rational system according to the size and scale of its activities. Its realization means that the minimum amount of data required to obtain the maximum amount of information management solutions [1].

2. Who has to be responsible for organization and leading the management accounting?

It all depends on the size of the company, "depth" of management accounting, so tasks, solution of which it is directed, accounting automation. In small business management accounting can be placed directly on the accounts. However, for medium and large enterprises function in the management accounting can also be assigned to the accounts, if creating a comprehensive system of management accounting is not the most important for the company, and, for example, to detail the current financial accounting.

Another option for large businesses is a creation of a special department to management accounting under the supervision of the chief accountant, or discharge from the accounting staff who will deal solely driving management accounting.

This approach has its advantages, in particular, it is the most optimal because it allows to minimize costs and to use the opportunities of the enterprise, and disadvantages – chief accountant will immediately be responsible for the financial, tax and management accounting, each of which solves their problem, which is generally not related.

In management accounting for large enterprises should create a separate service management accounting and its subordinate CFO to avoid the disadvantage of this approach. At that accounting can be a part of financial services, so subordinate and chief accountant CFO.

3. Is it possible to combine accounting according to international financial reporting standards with management accounting?

A significant number of companies are already registered under international accounting standards and financial reporting.

Among domestic enterprises must use IFRS:

- since 2012 public joint stock companies, banks, insurers;
- since 2013 companies that provide financial services, except insurance and pension, as well as carry out private pension provision;
- since 2014 companies that carry out support activities of financial services and insurance.

Other Ukrainian companies have the right to voluntarily move to IFRS.

Financial statements, formed by international standards, contain much more corrections than statements generated by P (S). So keeping administrative account to "international" basis and easier and more logical, because IFRS is much more accurately meet the requirements of management accounting than the national accounting standards.

The review and analysis of the literature on the management of academic and scientific indicates that few authors define the term "organization management accounting", most authors define its components.

Thus, one of the A.M. Volkova textbook's [2] items devoted to the organization management accounting in which the author analyzes the forms of organization of companies (unitary, divisional, matrix), functions of accountants and analysts, forms the relationship of financial and management accounting.

Vasilyeva L.S., Ryakhovskiy D.I., Petrovskaya M. [3] devoted an entire section of management accounting, which has devoted special attention to disclosure issues such as:

- 1) description of the structure of management accounting system;
- 2) main types of management accounting organization;
- 3) management accounting system "standard-cost";
- 4) accounting system for the full cost;
- 5) incomplete accounting system for (limited) cost;
- 6) accounting system at cost;
- 7) personnel policy organization in the creation of managerial accounting.

"Organization management accounting" – there is a name of one of M.A. Vahrushyna book's section [4]. In this chapter, the author identifies two problem issues:

- 1) options for management accounting (standalone and integrated systems);
- 2) system of records of business transactions in accounts management and financial accounting.

In the book, edited by F.F. Butyntsya [5] also allocated a separate section on the organization of management accounting, which reveals the following questions:

- 1) the process of formation of accounting information for management levels;
- 2) accounting for cost centres and centres of responsibility;
- 3) system of records of business transactions on accounts;
- 4) the order of construction and use of analytical accounting in the enterprise;
- 5) functions of accountants and analysts and segregation of duties in the accounts.

However, none of the analyzed educational sources are the essence of the term "organization management accounting.

"Under the organization of management accounting, – noted in the groups of author's manual

– should be understood as a system of conditions and elements of construction accounting process to produce reliable and timely information on the business activities of the company, monitoring the management of resources and management of activity" [5]. However, this term does not describe the process of organization of the administrative account.

"Organization of management accounting provides a clear division of responsibilities and liability of managers of all hierarchical levels and facilitates information flow between them for effective implementation of the objectives" – this is the view of I.D. Pyatnychuk [6].

Writers always refer to the initial contract management accounting literature classics such as Apchercha A., K. Drury, John. Foster, C. Hornhrena, while writing their papers on management accounting. Few people remember that the concept of management accounting contained in the recommendations (SMA – Statements on management accounting) US Institute of management accounting. However, with more than sixty provisions of the administrative account no one that would regulate issues of organization of management accounting.

This provision would also help individuals who engage management accounting to perform tasks such as security information and participation in governance.

So what would include management accounting organization? In our opinion, the organization of management accounting is a purposeful activity of administration for the creation, constant improvement and ordering of management accounting that takes into account the needs of managerial and operation of the existing information system will facilitate internal users of information for timely decision-making.

Organizing of management accounting provides a new system of accounting, including management accounting system or improve the existing financial accounting system during its operation, according to various internal and external factors.

It is impossible to set universal order management accounting organization for all enterprises, but you can provide a number of factors that affect its construction, and certain general principles of this type of accounting for management. Absolutely agree with S.O. Nikolaeva opinion: "... the more appropriate term is "reorganization", i.e. change the existing management accounting system, bringing it to a state that best contributes to the strategic objectives of the company" [7].

Company accounting management accounting at the enterprise consists of the following three phases (table 1).

Talking about what the document allows to describe an internal system of management accounting company, there may be two options. Depending on what form of implementation of the functions of management accounting is the most suitable for the enterprise and objectives management accounting company can make changes to the existing

provisions of the accounting policy by, 1) The identification of individual components in the context of the statement of the individual elements of management accounting (including, directions classification of expenses items costing methods of calculation, allocation of overhead costs, etc.); 2) The

addition of a new section "Accounting Policies for the purposes of management accounting". Accounting policy of the company involves determining the order of three components accounting: financial, tax and management.

Table 1. Stages of construction management accounting in the enterprise

№	Stages	The essence of the stage
1	Organizational stage	Development based on the organizational structure of financial and organizational structure with the allocation of responsibility centers (if the company plans to introduce a system of budgeting), and the division of responsibilities between workers of accounting (a structural unit, which is responsible for management accounting, which include, inter alia: 1) determining the optimal structure unit that will deal with management accounting; 2) workplace-relevant unit of the enterprise information establishing links between structural divisions and departments that deal with management accounting; 3) Organization of budgeting (in the case of the constituent elements management accounting system identifies the company's administration budgeting); 4) Regulations of providing information by the levels of management.
2	Technical stage	The choice of: 1) form of management accounting, taking into account the scale of the enterprise, its legal form, type of activity, a sector in which the enterprise operates, etc.; 2) establishing the procedure of the classification of expenditure based on the types of business transactions and business processes; 3) software that will be used to conduct management accounting and internal financial and management reporting; 4) distribution of functions between users of a computer system used for the management accounting and security management and protection of information, because all the information will be confidential
3	Methodical stage	1) the choice of a certain method and techniques of management accounting and facility management accounting (using analytical accounts, estimation, calculation, internal reporting); 2) method of determining transfer prices; 3) choice of ways of grouping, allocation and cancellation costs and determining the method of calculating of the cost of production; 4) determining the list of items costing of goods (works, services); 5) method of determining the financial and non-financial criteria of responsibility centres

Source: Own elaboration

Organization management accounting can be described in detail in a separate Regulation on management accounting policies. This internal document may have a different name: "Regulation management accounting", "Order of the accounting policy for the purposes of management accounting", "Regulations on Management Accounting and Reporting" and others, but in fact it would act in such a practical guide not only for professionals management Accountant, but also for internal users of this type of accounting. M.S. Pushkar and M.T. Shchyrba against this approach stand, pointing: "...design accounting policies for management accounting separate order is unnecessary, because in our country operates an integrated accounting system" [8].

However, we fully support M.A. Vahrushyna's [9] view, which stresses that management accounting needs its own accounting policies as in managerial accounting, unlike financial and operating information not only about transactions that have occurred, and the vast majority of transactions are expected in the future of gain or loss due to company management decisions, the information management of the enterprise is taken into account when choosing

alternative courses of action are estimated, and planned to have the financial and non-financial component.

The company "Intalev" developed "Regulations on management accounting policies" [10], which consists of five sections:

1. Terms.
2. The basic principles and concepts.
3. Organizational basis.
4. The method of accounting.
5. Engineering accounting and introduces it into

real projects formulation of budget management in the Ukraine.

We offer the following structure Regulations on management's accounting policies:

1. Methodological principles management accounting, which will identify ways of management accounting that will affect the decision-making management of the enterprise, including:
 - methods for evaluating progress and finished goods;
 - methods of calculation of the cost of goods (works, services);

- determining of income and expenses from the sale of goods (works, services) depending on the selected method of calculation;
- determining transfer prices;
- approaches to the distribution of productive and non-productive overheads.

2. Technology of management accounting, which should determine:

- procedure for classification of costs based on the current system of analytical accounts;
- management accounting registers used for the classification of information management in the context of these objects of management accounting: a) activities, products and services; b) provide functions; c) management functions; g) organizational (executive) level.
- composition, content, forms and deadlines of internal financial and management reporting;
- state and development of computerization of specialist management accounting.

3. Organization of management accounting should determine:

- responsibility for the organization management accounting in the enterprise;
- form of organization of management accounting (destination responsible for management accounting specialist as part of the accounting department, a separate business unit that will deal with management accounting, management accounting outsourcing);
- order of interaction unit management accounting (or appropriate specialist) with employees of other structural divisions.

If the company creates a separate structural unit that will deal with management accounting in the company, then you need to create in addition to provisions on the management accounting policy also to create provisions for management accounting. This Regulation is intended to reveal the basic functions and tasks, rights and duties, responsibilities of management accounting, and thus determine the place and role of every employee of this unit in the system of management accounting and reporting.

If in appropriate creating a separate structural unit of management accounting and consolidation management accounting functions under one of the accounting staff (e.g., accountant analyst) should provide specialist job description of management accounting, which define the responsibilities, rights and responsibilities interaction with other departments, officials. In this case, a person must not only be known for the good conduct of financial

accounting, but also be able to control costs the company to explain the financial implications of management decisions, make recommendations to the administration of the company in investment decisions; be able to formulate business strategy and its impact on building of management accounting company.

Thus, a set of methods of forming and organizing the management accounting system to ensure the functioning of the requirements management company and an organization of management accounting at the company. Effective organization of management accounting at the company involves the formation of the Regulations on management of accounting policies, Regulations on management accounting and job description of management accounting specialist to facilitate the successful functioning of the of management accounting of domestic companies.

Conclusions

No matter how many authors argue in their publications if management accounting one type of book or a separate accounting system. One way or another administrative account is present at each company, because owner uses management information to support its decision-making. According to the decision to introduce management accounting is a problem with its organization in the enterprise. However, if the accounting organization, implemented through the formation of the Regulations on accounting policy choice involves the possible ways of evaluation and reflection in financial accounting objects, destination management accounting policy is much wider. After all, management accounting has no relevant national standards that would allow choosing the most suitable possibility for the enterprise.

Creative and time-consuming work management accounting system design that is realized in-house development package management accounting standards, including provisions on the management company's accounting policies, Regulations on management accounting and job description management accounting specialist proceeds to accounting management. They would consider features of the particular business of the company and indicate understanding of who is going to solve the company's management by introducing management accounting system. Question of regarding personnel policy of the company in the creation of management accounting requires some separate studies.

Abstract

The efficient management accounting system is able to contribute to achieving the objects of enterprise with minimal expenses. It is relevant task although internal matter for every company. Purpose of the paper is analysis of the management accounting organization definition and concerning problems as well as determining of steps of it.

On author opinion the management accounting organization is special activity of enterprise administration such as creation and improving information system and maintaining of feedback between controlled objects and managers in order to provide relevant information to internal users for timely decision-making.

The management accounting organization means or improving used financial accounting system according to various internal and external factors of influence either collaboration new system.

On the first case enterprise can supplement appropriate parts of current accounting policy by more details of costs classification, calculation methods, and allocation of overheads and so on. Also new part "Management accounting" within existing policy can be created. Company's policy in general includes financial, tax and management accounting.

On the other case management accounting policy in separate document is formulated. This document can be named as regulation, instruction or order. It will be practical guide not only for managers but all workers who deal with.

JEL Classification: M 41, M 21, D 22.

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